## IN THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF ARKANSAS FAYETTEVILLE DIVISION

IN RE:

**MEXICAN AMERICAN NATIVE AMERICAN** 

TOBACCO COMPANY, INC., d/b/a MANA CORPORATION,

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5:01-81613T Chapter 7

Debtor.

JILL JACOWAY, TRUSTEE

**PLAINTIFF** 

VS.

Adversary Proceeding No.: 5:05-ap-07144

BANK OF ARKANSAS, J.B. HUNT, LLC, and PATRICK J. MALLOY, III, TRUSTEE FOR UNIVERSAL FACTORING; TED SCHWERMER, and JOHN MULKEY

**DEFENDANTS** 

## ANSWER TO COMPLAINT TO DETERMINE VALIDITY, PRIORITY AND EXTENT OF LIEN OR OTHER INTEREST IN PROPERTY

Comes now Defendant, J. B. Hunt, LLC ("Hunt"), and for its Answer to Trustee's Complaint to Determine Validity, Priority and Extent of Lien or Other Interest in Property, states as follows:

- 1. Hunt admits the allegations contained in paragraph 1 of the Complaint.
- 2. Hunt admits the allegations contained in paragraph 2 of the Complaint.
- 3. Hunt admits the allegations contained in paragraph 3 of the Complaint.
- 4. Hunt admits that the Debtor previously filed a Chapter 11 proceeding with the Court that was dismissed. Hunt denies the remaining allegations contained in paragraph 4 of the Complaint.
  - 5. Hunt admits the allegations contained in paragraph 5 of the Complaint.
  - 6. Hunt admits the allegations contained in paragraph 6 of the Complaint.
  - 7. Hunt admits the allegations contained in paragraph 7 of the Complaint.

- 8. Hunt admits that it claims to own one-third, or 33 1/3% of the proceeds of the Debtor's claim against MCI. Hunt is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 8 of the Complaint and therefore denies same.
- 9. Hunt denies that no proof of its ownership of one-third, or 33 1/3%, of the proceeds of the Debtor's claim against MCI has been provided. Hunt denies that its claim to ownership of one-third, or 33 1/3%, of the proceeds of the Debtor's claim against MCI should be disallowed. Hunt admits the remaining allegations contained in paragraph 9 of the Complaint.
- 10. Hunt is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint, and therefore denies same.
  - 11. Hunt admits the allegations contained in paragraph 11 of the Complaint.
  - 12. Hunt denies the allegations contained in paragraph 12 of the Complaint.
- 13. Hunt denies each and every material allegation of the Complaint not expressly admitted herein.
- 14. Pleading affirmatively, Hunt states that it is the owner of one-third, or 33 1/3 % of the proceeds of the Debtor's claim against MCI pursuant to Hunt's exercise of an option given in that certain Option Agreement dated June 16, 1999, which option was exercised on September 28, 2000, by the cancellation of two loans owed to Hunt by the Debtor in the aggregate principal amount of \$200,000.00.

WHEREFORE, Defendant J. B. Hunt, LLC respectfully requests that the Court find it is the owner of one-third, or 33 1/3 % of the proceeds of the Debtor's claim against MCI, that the Trustee be directed to pay over said proceeds to Hunt, and for all other just and proper relief to which it may show itself entitled.

Respectfully Submitted,

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By:

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## **CERTIFICATE OF SERVICE**

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